

Mekong
Organics



Australian Government

Department of Foreign Affairs and Trade

OPENING CEREMONY

The Australia - Vietnam Enhanced Economic

Engagement Grant (AVEG) Program

Promoting organic food production and
trade between Vietnam and Australia

Canberra, Australia, & Vietnam

15th September 2021

Organic food market in Australia:
opportunities for Vietnam organic
foods

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AUSTRALIAN ORGANIC MARKET

- The Australian organic market continues to grow with domestic retail sales reported to have grown to over 2.5 billion dollars (AUD)
- Supply is a major limitation on continuing growth of organic (not demand)
- Organic versions of almost every product are available and new products continue to appear
- Vietnamese food and restaurants are popular so we can assume opportunities for imports

MAJOR IMPORTED PRODUCTS IN THE AUSTRALIAN ORGANIC MARKET

- Top imported products are:
 - Coffee and tea (very little Australian domestic production)
 - Coconut (no Australian domestic production)
 - Spices (pepper, vanilla, nutmeg etc., no domestic production)
 - Chocolate (almost no local production)
 - Cereal products: against the trend, Australia is a major producer and exporter of non-organic grain but does not produce enough organic
 - A wide variety of processed product
 - Fruit and vegetables (mainly from New Zealand)

Major source countries

- Coffee: PNG, Africa, South and Central America
- Tea: India, Sri Lanka
- Spices: India, Sri Lanka, Indonesia
- Chocolate: Africa, South America
- Processed product: USA, Italy
- Grain products: USA, Canada, Ukraine
- Soy, and small seeds: China, Korea, South America
- Rice: USA, Pakistan
- Sugar: South America
- Fish: Thailand, Sweden

CERTIFICATION REQUIREMENTS

- The National Standard for Organic and Bio-Dynamic Produce is used for export
- The AS6000 has some application in the domestic market but does not mandate certification
- Generally organic wholesalers and supermarkets are reluctant to handle uncertified organic produce
- There is a push for domestic regulation
- Organic imports should be certified by a reputable organisation

BIOSECURITY

Importation of fresh produce into Australia is strictly controlled to protect against pests and diseases

Some organically acceptable pest and disease control methods may be available. Examples include:

- Temperature control including heat (hot air or vapour), cold or freezing
- CO₂ or Nitrogen gas are commonly used for seed and grain
- Ozone for processed product

BIOSECURITY

The *Biosecurity Act 2015* requires that all imports of food comply with the certain conditions. Restrictions apply to most raw foods and some processed food. The following are restricted and strictly policed:

- eggs and egg products
- dairy products
- uncanned meat
- seeds and nuts
- fresh fruit and vegetables

Commercial importers of food such as fresh fruit and vegetables need to obtain an import permit prior to sending produce



BIOSECURITY

Because of biosecurity restriction fresh produce (fruit and vegetables) are not an ideal target for import to Australia

You can search product restrictions at <https://www.agriculture.gov.au/import/online-services/bicon>

For more information on temperature treatments see [Imported goods - Biosecurity risk treatment guide \(agriculture.gov.au\)](#) Phone: **1800 900 090 (+61 3 8318 6700 from outside Australia)**



BIOSECURITY: Example of mangoes

- At least five Australian states produce mangoes, therefore mango imports will generally only be profitable for counter-seasonal producers
- Mangoes are imported from Pakistan, Philippines and Indonesia
- Most mango imports into Australia will be processed, such as juice, purees and canned products that may be imported into Australia with minimal restrictions
- Importation restriction can be difficult, will vary from season to season and depending upon the source so it is difficult to provide reliable advice on importing mangoes to Australia. For more information see: <https://www.agriculture.gov.au/import/goods/food>

BIOSECURITY: Example of rice

- Australia produces some rice when water is available, with a few organic producers
- Organic rice is imported from Pakistan and USA
- Although Australia does not use tariffs as a trade barrier, quarantine inspection costs may add to the cost of importation
- Rice is an opportunity, but it needs careful consideration
- For more information see: <https://www.agriculture.gov.au/import/goods/food>
- Also <https://www.australiavietnam.org/post/vietnam-rice-imports-a-last-resort-or-unexpected-opportunity>

BIOSECURITY

- Heat Treatment: see <https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/biosecurity/import/general-info/qtfp/heat-treatment-methodology.pdf>
- Although Australia does not use tariffs as a trade barrier, quarantine inspection costs may add to the cost of importation

BIOSECURITY

Biosecurity legislation in Australia websites

- <https://www.legislation.gov.au/Details/C2016C01051>
- <https://www.legislation.gov.au/Series/F1996B01315>
- <https://www.legislation.gov.au/Series/F2001B00340>



Bottling soy sauce in Australia

Produce can be imported in bulk and repackaged in Australia to reduce cost of shipping

OPPORTUNITIES

Approach import and wholesale/distribution businesses to ascertain up to date information on the particular crops

Because of the biosecurity problems, it is best to work with an import agent

To understand market opportunities and problems, such as seasonal supply, it is recommended to work with an Australian distributor

The Vietnamese Business Council can help to develop suitable contacts in Australia

SOME OPPORTUNITIES

- Processed products generally including sauces, jams, canned fruit, frozen and dried vegetables
- Cashews (controlled atmosphere storage)
- Rice and rice products such as noodles
- Seafood (fish and prawns)
- Coconut milk
- Palm sugar
- Coffee
- Herbs (dried e.g. basil, medicinal herbs)
- Spices (pepper, cinnamon, nutmeg, vanilla)

Thank you!

EAT THE BEST ORGANIC FOODS, DRINK PLENTY OF PURE WATER

More information

- Australian Government Websites
- Australia Vietnam Business Council
<https://avbc.org.au>
- NASAA Organic
- Certified organic wholesalers

